The Honorable Tana Lin 2 3 5 6 7 UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON 8 AT SEATTLE 9 BOARD OF TRUSTEES OF THE Case No.: 2:23-cv-00483-TL EMPLOYEE PAINTERS' TRUST; BOARD 10 OF TRUSTEES OF THE WESTERN THIRD STIPULATION AND ORDER TO WASHINGTON PAINTERS DEFINED STAY PROCEEDINGS 11 CONTRIBUTION PENSION TRUST: BOARD OF TRUSTEES OF THE DISTRICT Noting Date: October 14, 2024 12 COUNCIL NO. 5 APPRENTICESHIP AND TRAINING TRUST FUND; BOARD OF 13 TRUSTEES OF THE INTERNATIONAL PAINTERS AND ALLIED TRADES 14 INDUSTRY PENSION FUND; BOARD OF TRUSTEES OF THE FINISHING TRADES 15 INSTITUTE; THE PAINTERS AND ALLIED TRADES LABOR-MANAGEMENT 16 COOPERATION INITIATIVE; WESTERN WASHINGTON SIGNATORY PAINTING 17 EMPLOYERS ASSOCIATION; NORTHWEST WALL 7 CEILING 18 CONTRACTORS ASSOCIATION; INTERNATIONAL UNION OF PAINTERS 19 AND ALLIED TRADES DISTRICT COUNCIL NO. 5, 20 Plaintiffs, 21 v. 22 MARIN BROS., INC., an Illinois corporation; 23 ABEL MARIN, an individual; JENNIFER GARCIA, an individual; DOES & ROES I-X, 24 Defendants. 25 26

The Plaintiffs, Board of Trustees of The Employee Painters' Trust, et al. (collectively the "Plaintiffs"), and Defendants Marin Bros., Inc., Abel Marin, and Jennifer Garcia (collectively the "Defendants") (Plaintiffs and Defendants are collectively referred to herein as the "Parties"), each acting by and through their undersigned counsel, respectfully file this Stipulation to Stay Proceedings. This Stipulation is the Parties' third request to stay the proceedings and is made for cause and not for the purpose of delay. This Stipulation is made with respect to the following:

- 1. The Court issued an Order Setting Bench Trial Date and Related Dates on October 27, 2023 [ECF No. 17]. The Court has since issued two orders granting the Parties' Stipulated Motion to Extend Deadlines on May 7, 2024 and July 23, 2024, the latest of which stayed the proceedings and all unexpired deadlines to November 3, 2024 [ECF Nos. 24, 28, 31, 33].
- 2. This case centers on alleged fringe benefit contribution payment obligations arising from Collective Bargaining Agreements ("CBA") between the International Union of Painters and Allied Trades District Council No. 5 ("Union") and Defendant Marin Bros., Inc. ("Marin Bros").
- 3. The Plaintiffs, as employee benefit trust funds governed by the Employee Retirement Income Security Act ("ERISA"), have alleged the right to be paid certain fringe benefit contributions and related damages for work performed by Marin Bros' employees pursuant to the terms of the CBA.
- 4. The Plaintiffs alleged in the Complaint [ECF No. 1] the right to perform a payroll compliance review (audit) of Marin Bros' payroll and related records to determine the extent of contributions of contributions owed to the Plaintiffs. *See Cent. States, Se. & Sw. Areas Pension Fund v. Cent. Transp., Inc.*, 472 U.S. 559, 573-74 (1985) (discussing the role of a payroll auditor in determining unpaid contributions).
  - 5. Since the filing of the Complaint and since the Court's Orders to Stay

Proceedings, the parties continued to engage in diligent discovery, have worked together to avoid any court intervention of discovery issues, and have cooperated with sharing documents and information so that an audit of Marin Bros' records could be performed by a professional accounting firm engaged by the Plaintiffs.

- 6. In the parties' last stipulation and request to stay proceedings, the parties noted how Plaintiffs' auditor had completed a draft audit for the period of January 1, 2023 through September 30, 2023 ("Second Audit Period"). Defendants believe that this case involved potential mistakes in payments for contributions either (1) not owed to Plaintiffs or (2) covered in Plaintiffs' scope but accidentally paid to another entity. Defendants required additional time to obtain and gather additional documents regarding its payroll and payment of contributions and for Defendants' separate professional accounting firm to review and prepare a report for the Second Audit Period.
- 7. Since then, Defendants have been delayed in obtaining substantive information in part due to technological issues preventing access to some documentation and, in turn, Defendants are providing information to Plaintiffs on October 18, 2024, so that the parties can further assess the claims and meaningfully prepare for settlement discussions.
- 8. The parties also expect that they would soon have competing audit reports that would need to be reviewed and evaluated before discovery in this case can continue.
- 9. Additionally, the Parties hope to engage in meaningful settlement negotiations once final audit results are issued by each auditor. The Parties are committed to their ongoing obligation to explore settlement options in this case.
- 10. The Parties agree that a sixty (60) day stay of proceedings is warranted due to the need to complete the audits and to allow for discussion of the results of the audits and potential settlement.
- 11. This Stipulation is made to avoid unnecessary expenditure of resources in litigation and is not intended to delay or for any improper purpose.

s/Michelle Q. Pham Bradley P. Thoreson, WSBA #18190 bthoreson@buchalter.com Michelle Q. Pham, WSBA # 44286 mpham@buchalter.com

Seattle, WA 98101 (206) 319-7052 Counsel for Defendants Marin Bros., Inc., Abel Marin, and Jennifer Garcia

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## **ORDER**

Good Cause Appearing, in accordance with the foregoing Stipulation, these proceedings and all unexpired deadlines set forth in the Court's February 5, 2024 Order [ECF No. 24] and shall be stayed for an additional sixty (60) days to January 2, 2025. No later than two weeks prior to the expiration of the stay, December 19, 2024, the Parties will meet and confer and file a joint status report to update the Court on the status of the audits, settlement, and, if not settled, a schedule for how the Parties intend to complete discovery.

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DATED this 15th day of October, 2024.

HONORABLE TANA LIN United States District Judge

Presented by:

**BUCHALTER** 

By: <u>s/Michelle Q. Pham</u>
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## **CERTIFICATE OF SERVICE**

I hereby certify under penalty of perjury under the laws of the United States of America that on October 14, 2024, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF System which will automatically generate a Notice of Electronic Filing (NEF) to all parties in the case who are registered users of the CM/ECF system and are listed below as follows:

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by:

 $\overline{\mathbf{Q}}$ by CM/ECF

by Electronic Mail  $\mathbf{\Lambda}$ 

> /s/Marci L. Brandt Marci L. Brandt, Legal Assistant

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